

STATE OF MICHIGAN
PUBLIC SERVICE COMMISSION

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September 22, 2005

Ms. Irene M. Flannery Universal Service Administration Company 2000 L Street, N.W., Suite 200 Washington, DC 20036

TECTED

Ms. Marlene H. Dortch Office of the Secretary Federal Communications Commission 445 – 12th Street, SW, Room TW-A306 Washington, DC 20554

Dear Ms. Flannery and Ms. Dortch:

Jennifer M. Granholm

GOVERNORECE

Re: Section 54.316 of the FCC's Rules; Certification of new rate comparability review for non-rural carriers serving in rural areas.

In reviewing the requirements for Michigan to qualify to use the "safe harbor" provision of CC Docket No. 96-45, FCC 03-249, Michigan's statewide average cost for basic local telephone service must fall within two standard deviations of the FCC's national benchmark figure of \$32.28.

The Michigan Public Service Commission submits the required annual 2005 data relating to our two non-rural Eligible Telecommunications Carriers (ETC), SBC and Verizon. Their current rates for basic local telephone service are:

Company	Monthly Local Rate	Additional Factor	Total Cost
SBC	\$14.39	\$8.78	\$23.17
Verizon	\$15.80	\$8.78	\$24.58

Given these rates fall well within the required range of the established benchmark, Michigan again asks to use the safe harbor provision to meet the requirements of certifying for rate comparability. Please feel free to contact me with any questions. Thank you.

Very truly yours,

Orjiakor N. Isiogu, Director Telecommunications Division

c: Dan Kearney

Lori Towers-Hoover

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